



THE MARKETING MEMO

May 2005

Marketing Branch

Division of Marketing Services

California Department of Food and Agriculture

1220 N St., Sacramento, CA 95814

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www.cdfa.ca.gov

PROGRAM ISSUES

PIERCE'S DISEASE ASSESSMENT CONTINUATION REFERENDUM

On Monday, May 16 the Marketing Branch mailed ballots for the Pierce's Disease Assessment Continuation Referendum to the winegrape growers who paid PD assessments during the 2004 season. The purpose of the referendum is to determine whether winegrape growers in the State support continuing the Pierce's Disease assessment for another 5 years.

At the request of the Pierces' Disease Program, the Marketing Branch has spent several months compiling the list of winegrape growers qualified to participate in the Pierce's Disease assessment continuation referendum. Ballots will be mailed to approximately 7,400 growers statewide. Qualified growers whose names were not included in the winery/processor reports and who, as a result, did not receive a ballot may participate in the referendum by contacting the Marketing Branch.

It is important to highlight that regardless of the results of the referendum statutorily the Pierce's Disease Program is not scheduled to end until 2011 (in addition to assessment revenue the Program has available State and Federal funds).

If you have questions regarding the Pierce's Disease assessment continuation referendum, please contact Lynn Morgan or Kathy Díaz at the Marketing Branch. For questions about the Pierce's Disease Program, please contact the Program directly at 916-322-2804.

FIRST MEETING OF THE WINEGRAPE INSPECTION ADVISORY BOARD AGREEMENT

The Marketing Branch has scheduled the first meeting of the Winegrape Inspection Marketing Agreement for Thursday, May 19 in Modesto. At the meeting important decisions on the future administration of this new program and 2005 inspection activities will be made.

The implementation of the Winegrape Inspection Marketing Agreement terminates the activities of the Winegrape Inspection Committee that used to operate under the Division of Inspection Services. Just as under the former CDFA winegrape inspection program, the operations of the Marketing Agreement will be directed by an industry committee consisting of vintner/processor and grower representatives appointed by the Department. Assessments will be levied equitably upon winegrape vintners/processors and the winegrape growers who sell to them.

For questions about the Winegrape Inspection Program or about the meeting, please contact Kathy Díaz at the Marketing Branch or Gary Manning with the Inspection Services Division at (916) 445-2180.

NEW EXECUTIVE DIRECTOR WITH THE CALIFORNIA APPLE COMMISSION

After a long career in agriculture, with the last twenty years in apples, Kenton Kidd has retired. The Apple Commission recently completed an executive search and has hired Alex Ott as its new Executive Director. Alex left the Grape and Treefruit League for this position after spending the last five years as its Director of Governmental Relations. Prior to that, he worked for Assemblyman Mike Briggs as Ag and Water Issues Director for the Central Valley, and before that he was with Congressman John Doolittle's office.

Alex has a bachelor's degree in government from Sacramento State, and will be graduating soon from Fresno State with a Master's Degree in International Relations. He is "looking forward to a great opportunity with a lot of challenges" at the Apple Commission. If you have any questions, please contact Glenn Yost at (916) 341-6005.

ADMINISTRATIVE ISSUES

INDUSTRY MAILING LISTS

It has come to the attention of the Marketing Branch that there have been inconsistencies in the industry mailing lists during Board Elections. It is important that each Board maintain current mailing lists of their members. When mailing out election ballots, please be sure that each ballot:

1) Has a mailing label at the top portion of the ballot clearly identifying the name and address of the entity, and a unique identifying code/number (to eliminate duplications). **Each legal entity with an individual tax ID number is entitled to only ONE vote.** For example, it is incorrect to send a separate ballot to a single grower entity for each growing acreage from which he delivers.

2) Is signed and dated with the original label attached. This will ensure that the election ballot is valid.

The Branch is requesting that all Boards update their mailing procedures to reflect this change. The Branch may also ask the Board for the mailing list along with the declaration of service by mail.

FORM 700 CERTIFICATION FORMS (MARKETING ORDERS, AGREEMENTS AND COUNCILS ONLY):

If you have not already done so, please send in your completed Form 700 Certification Forms to the Marketing Branch. The Certification Forms were due May 1st. The Branch will be notifying individuals in non-compliance with Form 700 by May 21st. Those individuals will have ten days to comply before being removed from their respective positions. If you have any questions, please contact Kim Jagelka of the Marketing Branch at (916) 341-6005.

ETHICS TRAINING CERTIFICATION PROCEDURES FOR MARKETING ORDERS, AGREEMENTS, AND COUNCILS:

Just a reminder that marketing orders, agreements, and councils are still required to complete ethics training. First time appointed members and alternate members must complete the training and file a certification with your program within 6 months of assuming their position. All other members and alternates need to complete ethics training and file the appropriate certification every 2 calendar years thereafter. Program Executives must retain the signed original certificates. Please note that CDFA

does not collect this information from commissions, even though commission members and alternates are required to complete ethics orientation.

If you have any questions regarding the process, please contact Darwin Spring at the LDC, (916) 445-2882, or email: dspring@cdfa.ca.gov.

MOTOR VEHICLE LIABILITY INSURANCE COVERAGE:

Every year about this time we remind you that the State Office of Risk and Insurance Management (ORIM) offers affordable motor vehicle liability coverage for vehicles owned by California government agencies, including advisory boards, councils, and commissions. ORIM recently announced that the 2005/2006 fiscal year premium applicable to California marketing programs will be \$98.00 per vehicle.

The ORIM insurance plan provides unlimited primary coverage for liability exposures when salaried personnel drive the insured vehicle. The plan's coverage is limited to \$1 million per accident when a non-salaried driver such as a volunteer or student drives the insured vehicle. The plan does not include coverage for physical damage losses. Each participating program needs to secure physical damage coverage from a private insurance vendor.

It is the Department's policy that all vehicles owned by marketing orders, agreements, and councils must be covered by this ORIM liability insurance program because, technically, such vehicles are government owned and liability might extend to the state. Therefore, any marketing orders and councils, with board-owned vehicles that have not yet secured insurance coverage from ORIM, should do so immediately. In addition, commissions with board-owned vehicles are encouraged to enroll in the ORIM insurance plan as well. ORIM has stated that commissions, which do not participate in the ORIM plan, should obtain at least \$1 million in liability coverage.

Currently 8 marketing programs, with a total of 30 vehicles, have liability coverage through ORIM. Any other marketing programs with board-owned vehicles that need to secure ORIM coverage, should contact Gail Saruwatari of ORIM at (916) 376-5285. If you have questions regarding this issue, please call Dennis Manderfield of the Marketing Branch at (916) 341-6005.

TABLE OF DUE DATES:

As a reminder of upcoming due dates, we are providing the following Table. Please call your Economist/Analyst at (916) 341-6005 if you have any questions.

TABLE OF DUE DATES		
Item	Applies To:	Due Date
Conflict of Interest Form 700	Marketing Orders, Agreements and Councils	May 1, 2005: Boards must submit to the Branch a list of members and alternates and their status, i.e., whether or not they have complied by submitting their form to the board.
Quarterly Contract Report	Marketing Orders, Agreements and Councils	Qtr 1, 2005 Was Due: April 29, 2005 (January – March 2005) Qtr 2, 2005 Due: July 30, 2005 (April – June 2005)
Ethics Training	Marketing Orders, Agreements and Councils	Members must complete the training in the time frames below and submit the certification to their marketing program executive: <ul style="list-style-type: none"> • New members: within six months of assuming their position. • Continuing members: every two calendar years. Program Executives must retain the signed original certificates. A list of board members and alternates with the dates they completed the orientation, must be sent to the CDFA Learning and Development Center. Point of contact is Darwin Spring, (916) 445-2882.
Member Lists	Marketing Orders, Agreements, Councils, and Commissions	As soon as possible after any changes. Please be sure to include individual contact information: addresses, phone numbers and e-mail addresses.
Financial Audits	Marketing Orders, Agreements and Councils	Three copies due to Branch 30 days after completion.

GENERAL INFORMATION**REGULATORY COMPLIANCE EDUCATION PROJECT**

California Secretary of Agriculture AG Kawamura, will host a satellite broadcast on September 8, from 4:00pm – 6:00pm that will help producers manage the burden of regulations by introducing a new tool that assists producers to create a unified plan for dealing with them. The broadcast will be presented at County Agricultural Commissioner and Small Business Development Center network offices. The new Excel™- based tool on CD will be distributed free to producers attending the broadcasts and will be available as a download from a web site hosted by CDFA. It will identify the regulations that may apply to a particular enterprise and organize the fragmented demands of regulatory agencies. After the satellite broadcast, agency representatives will be at the local sites for facilitated discussions with growers. The event will focus on

regulations from the perspective of the producer, not the regulator. For the locations of workshops near you, please visit this website: <http://www.cdfa.ca.gov/exec/aep/aes> or call (530)-852-4768. A copy of the flyer is attached for your reference.

COLLABORATING ON A FOOD AND FARM BILL

The California Coalition for Food and Farming is presenting a dynamic workshop entitled: **Collaborating on a Food and Farm Bill** and will be held at the Clarion Hotel in Sacramento on June 28, 2005 from 9:00am – 5:00pm. This event will provide an opportunity to learn more about the current Farm Bill, its implications for California, and why the 2007 Farm Bill is critical to the future of California agriculture.

Panelists will include farmers and advocates, trade specialists, government representatives and environmentalists, community organizers and consumers. Attendees will hear about a follow-up workshop in November where they will begin strategizing on advocacy plans to leverage the Farm Bill that promotes and supports sustainable, alternative agriculture benefiting California. A copy of their flyer is attached for your reference.

NOW AVAILABLE: THE ECONOMICS OF COMMODITY PROMOTION PROGRAMS: LESSONS FROM CALIFORNIA

This informative book focusing on the evaluations of California's Marketing Programs and the legal challenges facing most mandatory check-off programs in this country has been released. The price of the book is \$83.95 + shipping. If you are interested in purchasing this book, please contact: Peter Lang Publishing at (212) 647-7700 Tel or (212) 647-7707 Fax.

SIGN UP NOW FOR FRESH PRODUCE PROMOTIONS IN MEXICO AND CENTRAL AMERICA

The Western U.S. Agricultural Trade Association (WUSATA) offers the following opportunities for fresh and processed product promotion July through October throughout Central and South America. Details and registration information for the following activities can be found on the Agricultural Export Program (AEP) website at www.calagexport.com or by calling the AEP office at (916) 654-0389. Deadlines to sign up for the promotions are rapidly approaching; please contact the Ag Export Program for additional information.

- July 1-11, Mexico — In-store promotion in the Soriana retail chain.
- July 10-14, Mexico — A retail trade mission to Monterrey and Mexico City for U.S. companies to meet buyers from various retail chains.
- July 29-August 1 (tentative), Guatemala and Costa Rica — An inbound mission bringing Central American buyers for fresh and processed products to California.
- August-September, Guatemala and Costa Rica — In-store promotions.
- August 22-26, Colombia, Ecuador and Peru — A food ingredients trade mission to meet buyers for food manufacturers, importers and distributors.
- September-October, Mexico — Two television cooking shows featuring Western U.S. food products during September and October in Monterrey, Mexico.
- September 11-16, Guatemala and Costa Rica — A trade mission to Central America to meet retail buyers and importers.

MARKETING PROGRAM AND MARKETING BRANCH JOB ANNOUNCEMENTS:

We routinely include notices of job openings with California marketing programs and other agricultural organizations in the Marketing Memo. Please contact Beth Jensen at (916) 341-6005, or via e-mail at bjensen@cdfa.ca.gov to include information in this section.

PEST DETECTION ADVISORY

Attached is the Pest Detection Advisory of current pests affecting California agricultural products. If you have questions regarding this listing, please contact the CDFA Pest Detection Branch at (916) 654-1211.

MARKET ENFORCEMENT ADVISORY:

Attached is the Market Enforcement Advisory Notice for April 2005. If you have questions regarding the notice, please contact the CDFA Market Enforcement Branch at (916) 341-6276.